

Open Session Minutes

Virtual Meeting

COMMISSIONERS AND STAFF PRESENT:

COMMISSIONERS:

Betty T. Yee, State Controller

Eleni Kounalakis, Lieutenant Governor

Gayle Miller, Chief Deputy Director and Alternate for Director of the Department of Finance
Keely Bosler

STAFF MEMBERS:

Jennifer Lucchesi, Executive Officer

Seth Blackmon, Chief Counsel

REPRESENTING THE OFFICE OF THE ATTORNEY GENERAL:

Andrew Vogel, Deputy Attorney General

NOTE:

The final approved Minutes also include the Agenda and corresponding staff reports (incorporated into the draft Minutes by reference) approved as presented unless otherwise indicated in the Record of Action. A list of individuals making statements before the Commission and the entities they represent, along with the Executive Officer's Report, are included in a complete transcript of the proceedings, which is on file in the Sacramento offices of the Commission and posted on the Commission's website at www.slc.ca.gov. Also included on the website is the voting record of the meeting with the staff report for each agenda item linked to the respective consent, regular or informational item number. A link to a recorded Cal-span.org webcast of the meeting is also available on the Commission's website. All of these items may be found under Previous Meetings, by date of the meeting.

RECORD OF ACTION TAKEN BY THE CALIFORNIA STATE LANDS COMMISSION:

Chair Betty Yee called the meeting of the California State Lands Commission to order at 1:00 P.M. via Zoom webcast; also present were Commissioner Eleni Kounalakis and Commissioner Alternate Gayle Miller.

Confirmation of the Minutes of the August 20, 2020 meeting was approved as presented by a vote of 3-0 (Yee–Yes; Kounalakis–Yes; Miller–Yes)

EXECUTIVE OFFICER'S REPORT:

Executive Officer Jennifer Lucchesi updated the Commission on the following items:

- **Rincon Well Abandonment Project**

Driltek continues to make progress in abandoning the wells at the former Rincon leases in Ventura County. On the island, 43 of the 50 wells have been plugged. Onshore, 24 of the 25 wells have been abandoned. Total project costs are estimated at \$36.6 million, which is \$4.4 million, or 10.7 percent, below initial estimates. Altogether, 67 of the 75 wells, or 89 percent, of the State well abandonments are complete and project completion is expected by June of next year.

Late last month, the Commission released a solicitation for an environmental consultant to prepare the CEQA documentation and evaluating alternatives for the ultimate disposition of the island and onshore facilities.

- **Platform Holly Abandonment Project**

In late August, the Commission and the City of Goleta hosted a virtual town hall to update the community, policymakers, and others about the status of the Platform Holly and Piers 421 decommissioning projects. The meeting was well attended and is a continuation of the Commission's outreach on these issues and projects of local and statewide concern. Exxon is currently developing an engineering plan to decommission the 421 Piers, which staff expects to be completed by the end of this year. The Platform Holly work remains paused because of the COVID-19 pandemic protocols. The platform's space limitations make physical distancing impractical. Staff continues to maintain and monitor the Platform and onshore facilities to ensure public health and safety.

- **Legacy Wells and Coastal Hazards Program (SB 44, Jackson)**

The Program provides \$2 million per year to remediate legacy wells and coastal hazards on state lands. The Commission's consultant, InterAct, will perform well re-abandonment work on two leaking wells off Summerland Beach, known as the NorthStar 815 and the Treadwell 10 wells beginning in the next couple of weeks, depending on weather. The work will be conducted from a derrick barge and a dive vessel anchored nearby. As a precautionary measure, spill response equipment and trained personnel will be staged in the parking lot up on the bluff. This re-abandonment work is an essential part of the Commission's efforts to permanently stop oil from leaking into surrounding waters and onto the beach. We are especially grateful for the close collaboration and assistance of our partner agencies, including the County of Santa Barbara, Santa Barbara Air Pollution Control District, Central Coast Regional Water Quality Control Board, the Coastal Commission, the United States Army Corps of Engineers, the Office of Spill Prevention and Response, and CalGEM.

- **Lake Tahoe Benchmark Rental Rates Methodology Study Status Update**

In February 2018, the Commission approved the continuation of the 2012 Lake Tahoe benchmark rental rates and authorized staff to hire a consultant to study the methodology used to set rent in Lake Tahoe and Donner Lake. Last month, the Commission released a draft of this Lake Tahoe Rent Methodology Study and sent letters to all lessees, stakeholders, and interested parties within the Lake Tahoe and Donner Lake area notifying them about the draft study. The draft study provides an independent, third-party evaluation of various rent methodologies, including the one the Commission currently uses, and recommends a rent-setting methodology and benchmark rates going forward.

Commission staff will host a virtual town hall meeting on Tuesday, November 10th, to discuss the consultant's draft study. Information on how to join the meeting will be available on our website and staff will also reach out to stakeholders through virtual public meetings to receive feedback on the study.

After this outreach, the consultant will revise the study as necessary and finalize it. Staff will evaluate the final study, incorporate all the input we have received, and bring a recommendation to the Commission in late 2020 or early 2021.

- **Offshore Renewable Energy Applications**

The Commission is in receipt of two applications, one from Ideol USA, Inc. and Cierco Projects Corporation, for leases to construct and operate a floating offshore wind electrical generation project on sovereign land in the Pacific Ocean off the

coast of Lompoc and Vandenberg Air Force Base. Staff continues to process these applications.

As part of the environmental analysis portion of the processing, and in recognition of the significant interest in these proposals, we be will pursuing a combination of an early public consultation and scoping approach with some project analysis substance of an initial study. This preliminary environmental assessment approach is intended to provide preliminary insight on effective resources to help guide early public input on a Notice of Preparation scoping process for the ultimate preparation of an EIR. Considering the extensive resource requirements of the EIR process, this approach helps with development of the scope and analysis to a greater extent, as compared to a typical early public consultation or Notice of Preparation.

Staff is also planning a series of virtual outreach sessions in November and beyond for stakeholders who have an interest in these projects and staff intends to conduct additional smaller and more focused outreach after this initial outreach session. Importantly, to provide more transparency and increase communications with those who are interested in these two applications, staff developed an offshore wind website page to provide information and updates about the applications and insight into the Commission's application process.

<https://www.slc.ca.gov/renewable-geothermal-energy/offshore-wind-applications/>

- **Personnel Announcements**

- **Environmental Justice Liaison**

Earlier this month, the Commission hired a new Environmental Justice Liaison, Yessica Ramirez, who will lead implementation of our Environmental Justice Policy and Program. Yessica comes to us after a successful career at United Way in Monterey County, where she directed their community engagement work. Yessica will work closely with our divisions and the Commission as well as the public to build on the comprehensive work already advanced on equity, diversity, and inclusion and move our Environmental Justice Program work forward.

- **New Chief of DEPM**

Executive Officer Lucchesi also announced that Nicole Dobroski has been appointed as the Commission's new Chief of the Environmental Planning and Management Division. The recruitment for this position was incredibly competitive. Nicole's exhibited and thoughtful leadership, dedication to science, experience, creativity, innovation, commitment to collaboration, and

comprehensive vision made her the best choice to lead this important Division of the Commission.

Executive Officer Lucchesi specifically acknowledged and thanked Eric Gillies for leading this Division over these past two years. His steadiness, leadership, and management of the Division allowed Colin and I the time and opportunity to focus on the potential of our scientists and the broader scientific work our agency is doing and to reimagine this Division.

Executive Officer Lucchesi also announced that Commission staff are in the very initial stages of bringing our professional scientists and our science-based programs, our Marine Invasive Species Program, our CEQA Program, and our Climate Change and Sea Level Rise Program together under one division to facilitate, promote, and empower a collaborative, proactive environmental planning and management team that can build and grow our existing science-based programs, facilitate professional growth among our science teams, and institutionalize one of our core values – decision-making based on the best available science. Nicole shares this vision and is ideal for leading this new endeavor.

- o **Steve Curran Retirement**

Executive Officer Lucchesi announced the retirement of Steve Curran, a long-time State Lands engineer in the Mineral Resources Division. Steve will retire this November after serving the State since 1978. Steve started his career with the State career with the California Geologic and Energy Minerals Agency. He then spent time working in private industry and in 1987, he came to the State Lands Commission where he has served the past 35 years.

CONSENT CALENDAR

Consent Item 28 was removed from consideration

Consent Items 01-27 and 29-42 were approved as presented by a vote of 3-0 (Yee–Yes; Kounalakis–Yes; Miller–Yes)

INFORMATIONAL CALENDAR

Item 43 – was informational – no vote required

REGULAR CALENDAR

Item 44: An informational presentation was made to the Commission on the status of efforts to develop the Commission's 2021-2025 Strategic Plan and to solicit comments and suggestions from stakeholders.

Item 44 – was informational – no vote required

Item 45: A staff presentation was made to the Commission to consider applications for two negotiated State geothermal resources leases, covering approximately 2,739 acres total of school land (also referred to as lieu land). The first proposed lease covers approximately 2,016 acres of the State's 100 percent reserved mineral interest school land and State-owned school land (fee-owned land), Assessor's Parcel Numbers 017-010-016, 017-010-017, 017-010-027, 017-010-044, 017-010-045, 017-010-048, 017-010-056, 017-340-003, 017-340-004, 017-340-010, 017-050-013, and 017-970-014, located within Sections 32 and 34, Township 10 South, Range 10 East, and within Sections 4 and 10, Township 11 South, Range 10 East, SBM. The second proposed lease covers approximately 723 acres of the State's 100 percent reserved mineral interest school land, Assessor's Parcel Numbers 017-340-011 and 017-340-018, located within Sections 10 and 16, Township 11 South, Range 10 East, SBM. Both proposed lease areas are within the Truckhaven geothermal area, southwest of the Salton Sea, Imperial County.

Item 45 – was approved as presented by a vote of 3-0 (Yee–Yes; Kounalakis–Yes; Miller–Yes)

(The State Lands Commission adjourned into closed session from 2:50 P.M. to 3:27 P.M., then resumed open session at 3:28 P.M.)

CLOSED SESSION

Nothing to report from Closed Session

The Commission meeting public session was adjourned at 3:28 P.M.

STAFF AND PUBLIC ADDRESSING THE FOLLOWING STAFF REPORTS:

PUBLIC COMMENT

- Susanne Cumming, Member of Sierra Club
- Marcia Hanscom, Ballona Wetlands Institute
- Lisa Levinson, In Defense of Animals
- Patricia Miller
- Jennifer Savage, Surfrider Foundation
- Robert Roy van de Hoek
- Jane Velez-Mitchell, Founder of JaneUnChained News Network

ITEM 44

Katie Robinson-Filipp, California Sea Grant Fellow, CSLC

- Casey Cruikshank, Northcoast Environmental Center
- Vicky Fong, representing Shark Stewards
- Elias Henderson, Redwood Forest Foundation, Inc. (RFFI)
- Kim Kolpin, Executive Director of the Bolsa Chica Land Trust
- Tom Rudolph, The Pew Charitable Trusts
- Jennifer Savage, Surfrider Foundation
- Andrea Treece, Earthjustice
- Courtney Vail, Oceanic Preservation Society (OPS)
- Michael Wellborn, President – Friends of Harbors, Beaches and Parks

ITEM 45

Vanessa Perez, Senior Mineral Resources Engineer, Mineral Resources Management Division, CSLC

Scott Kessler, representing ORNI 5 LLC